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UNITED STATES ATTORNEY'S OFFICE OBTAINS \$17.6 MILLION IN FORFEITURE JUDGMENTS IN CALENDAR YEAR 2005

*In one case, United States Attorney McGregor W. Scott Today Presented over \$380,000
in Cash and Vehicles to Two Central Valley Police Departments*

SACRAMENTO—United States Attorney McGregor W. Scott announced today that his office obtained forfeiture judgments valued in excess of \$17.6 million during calendar year 2005 from individuals who violated federal law.

"Drug traffickers and white collar criminals should not be allowed to keep the fruits and instruments of their illegal conduct, any more than a bank robber should be allowed to keep the money he steals," stated United States Attorney Scott. "The government forfeits property to take the profit out of crime and to disrupt criminal organizations. A collateral, but important, benefit of forfeiture is that it provides a means of making restitution to victims of crime, and it provides funding to state and local law enforcement agencies that bear the heavy burden of combating crime, particularly drug trafficking," added United States Attorney Scott.

United States Attorney Scott noted that in fiscal year 2005 (which ended in September 2005), his office restored approximately \$875,000 in forfeited assets to the victims of the crime that gave rise to the forfeiture. In addition, his office shared approximately \$830,000 in forfeited funds with state and local law enforcement agencies in the predominately rural 34 county area of the Eastern District of California. "To a large county or urban area, it may not mean much to receive a check from the federal government for \$50,000. But to smaller rural counties and towns a check for \$50,000 can have a huge and immediate benefit to the community."

As one example of his offices' successful forfeiture program, Mr. Scott today presented a check in the amount of \$173, 257.43, along with two high-priced vehicles to Visalia Police Department Chief Bob Williams. He also presented a separate check to Farmersville Police Department Chief Mario Krstic in the amount of \$173, 257.43. Joining United States Attorney Scott in Fresno during the presentation of the funds and vehicles was Javier Peña, Special Agent-in-Charge of the United States Drug Enforcement Administration's San Francisco Field Division. The monies and vehicles represent the Visalia and Farmersville Police Department's share of proceeds that stemmed from a case involving a large-scale narcotics distribution operation based

out of a residence in Farmersville, California.

Stated DEA Special Agent in Charge Javier Peña, "This case exemplifies what the combined efforts of law enforcement can do when agencies work together. The assets removed from drug traffickers can now be used to strengthen law enforcement efforts in the community. The DEA looks forward to continuing the strong partnerships it has developed with law enforcement in Tulare County."

"Asset forfeiture seizures are used to acquire the specialized and expensive equipment that routinely small and mid-size police organizations simply cannot justify and afford through general fund expenditure methods. Asset forfeiture funding, such as this seizure, will provide funding that will for the immediate future vastly improve this agencies narcotic enforcement abilities, and intelligence gathering capabilities," said Visalia Police Chief Bob Williams.

"This case is also a good example for those who feel that federal law enforcement agencies are only concerned with terrorism and international issues. Federal law enforcement is here, in small town America, assisting local law enforcement in combating the street terrorism of gangs and narcotics at the local level. Their assistance in this particular case will reach even further, resulting in over \$170,000 in asset forfeiture funds coming back into the City of Farmersville. These funds will help with future investigations of this kind. Amounts like this may not be a big deal for cities like L.A. or San Francisco, but for a city of 10,000, it is huge," said Farmersville Police Chief Mario Krstic.

On June 22, 2005, members of the Visalia Police Department's Special Enforcement Unit, along with members of the Farmersville Police Department executed a search warrant at a residence located at 769 N. Kern Street in Farmersville. An investigation launched by the Visalia Police Department had previously identified the location as the residence of PEDRO ALANIZ. As a result of the investigation, ALANIZ was suspected of large-scale narcotics trafficking in the Visalia and Farmersville areas. During the execution of the search warrant, officers seized \$433,319.00 in cash, packaged for shipping in a manner consistent with narcotics trafficking. Officers also located approximately 13 pounds of methamphetamine, 2 pounds of cocaine and 93 pounds of marijuana. Those narcotics have an estimated street value of approximately \$1 million.

Members of the Fresno Resident Office of the United States Drug Enforcement Administration and Visalia Police Department subsequently interviewed ALANIZ about the items found during the execution of the search warrant. ALANIZ admitted that the narcotics found in the residence belonged to him and that the money found in the residence was the proceeds of narcotics trafficking. Subsequently, on July 7, 2005, a federal grand jury sitting in Fresno returned a two-count indictment charging ALANIZ with possession of methamphetamine with intent to distribute and possession of a firearm in furtherance of a drug trafficking crime.

In partnership with the United States Attorney's Office, the DEA then began administrative forfeiture proceedings towards the \$433,319.00 and two vehicles which the investigation traced as being purchased by ALANIZ with narcotics proceeds. On January 23, 2006, ALANIZ pled guilty in United States District Court in Fresno to possessing more than 500

grams of methamphetamine with intent to distribute. He also admitted to possessing more than 500 grams of cocaine with the intent to distribute. ALANIZ is scheduled to appear for sentencing before United States District Judge Oliver W. Wanger on April 17, 2006.

According to Assistant United States Attorney Marlon Cobar, who prosecuted the case, the maximum penalties ALANIZ faces are a mandatory minimum sentence of 10 years to a maximum sentence of life imprisonment; a maximum fine of \$4 million; and a five-year term of supervised release. However, any sentence would be imposed by the court after consulting the United States Sentencing Guidelines.

The forfeited funds and vehicles were transferred to the Visalia and Farmersville Police Departments through the Department of Justice's "Equitable Sharing Program," which is administered by the United States Marshal Service. Each agency that participates in the program is required to use the funds for law enforcement purposes. The Department of Justice's Equitable Sharing Program is designed to enhance cooperation among federal, state and local law enforcement through the sharing of proceeds resulting from federal forfeiture. State and local law enforcement agencies receive equitable sharing revenues by participating with federal law enforcement in joint investigations that lead to the forfeiture of property. The amount that is shared with state and local law enforcement is usually based on each agency's level of participation in the case.

United States Attorney Scott praised the work of the detectives and officers of the Visalia and Farmersville Police Departments and of the DEA whose efforts led to this case. He noted that, in partnership with the United States Attorney's Office, the DEA was able to achieve the expedited processing of the funds presented today in just five months.

The Department of Justice's asset forfeiture program has three primary goals: to punish and deter criminal activity by depriving criminals of property used or acquired through illegal activities; to enhance cooperation among federal state and local law enforcement; and to produce revenues to enhance forfeitures and strengthen law enforcement. Nationwide in Fiscal Year 2005 the Department of Justice forfeited assets valued in excess of \$687,000,000; shared in excess of \$101,000,000 with state and local law enforcement agencies; and used \$5.7 million in forfeited assets to make restitution directly to crime victims.

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